

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 91-216-E - ORDER NO. 93-837 ✓  
SEPTEMBER 1, 1993

IN RE: Application of Duke Power Company for an )ORDER  
increase in rates and charges. )REDUCING  
 )RATES

This matter is before the Public Service Commission of South Carolina (the Commission) on Duke Power Company's (Duke's) letter of August 23, 1993, in which it requested Commission direction as to the appropriate treatment of certain revenues received from Carolina Power & Light Company (CP&L) under Duke and CP&L's "Schedule J Contract." Under the Schedule J Contract, CP&L agreed to buy 400 MW of electricity from Duke over a stated period of time. In its August 23rd letter Duke notified the Commission that CP&L and Duke have resolved their differences under the Schedule J Contract, that the Schedule J Contract is now in effect, and that Duke received its first payment for electricity on August 19, 1993.<sup>1</sup>


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1. In Order No. 91-1022 (November 18, 1991), the Commission determined that the revenues anticipated to be received from CP&L under the terms of the Schedule J Contract should not be included in Duke's rates because CP&L had notified Duke that it did not intend to comply with the terms of the contract. Instead, the Commission ordered Duke to place any Schedule J collections received in a deferred account. The Commission specifically reserved the right to address the deferral at a later time. See, Order, pages 78-79.

After review of Duke's August 23, 1993, letter and Order No. 91-1022, Duke's rates should be reduced on a prospective basis to reflect the Schedule J payments of \$11,622,619, exclusive of gross receipts tax, on a South Carolina retail basis in the same proportion in which the class revenues were increased by Order No. 91-1022. Duke's rate schedules shall be effective for service rendered on and after September 1, 1993. Duke shall file fifteen (15) copies of its tariffs reflecting the reductions herein ordered within fifteen (15) days of the date of this Order.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)